

PROPERTY TAX APPEAL BOARD'S DECISION

APPELLANT: Shannon Court Limited Partnership
DOCKET NO.: 01-25627.001-C-2
03-21092.001-C-2
PARCEL NO.: 06-26-365-005

The parties of record before the Property Tax Appeal Board (hereinafter PTAB) are Shannon Court Limited Partnership, the appellant, by attorney Christopher Oakes with the law firm of Cox, Oakes and Associates in Northbrook and the Cook County Board of Review by Cook County State's Attorney John Coyne.

The subject property consists of a 12,200 square foot parcel of land containing a 29-year old, masonry, five-story, apartment building. The improvement contains 49 units and 43,652 square feet of net rentable area. The appellant, via counsel, argued that there was unequal treatment in the assessment process of the land and the improvement as the basis for this appeal.

The PTAB finds that these appeals are within the same assessment triennial, involve common issues of law and fact and a consolidation of the appeals would not prejudice the rights of the parties. Therefore, under the *Official Rules of the Property Tax Appeal Board, Section 1910.78*, the PTAB consolidates the above appeals.

In support of the equity argument, the appellant submitted a brief from the appellant's attorney, a copy of the 1998 PTAB appeal decision, the circuit court decision of the administrative

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Based on the facts and exhibits presented, the Property Tax Appeal Board hereby finds a reduction in the assessment of the property as established by the Cook County Board of Review is warranted. The correct assessed valuation of the property is:

DOCKET #	PIN	LAND	IMPRVMNT	TOTAL
01-25627.001-C-2	06-26-365-005	\$12,078	\$261,912	\$273,990
03-21092.002-C-2	06-26-365-005	\$10,980	\$196,434	\$207,414

Subject only to the State multiplier as applicable.

PTAB/0642JBV

review appeal of the 1998 decision, and an analysis titled "Study of Comparable Assessed Value of Apartment Communities Hanover Township, Cook County, Illinois". In the 2003 appeal, the appellant also submitted 2001 and 2002 income statements, the 2002 rent rolls, and four market value comparables to evidence their assessed values based on the sale price.

At hearing, the appellant called its witness, Kevin Morse. Mr. Morse testified that he has worked within commercial real estate for the last 17 years with the last 10 in multi-family housing as an executive. He indicated that he also has a real estate broker's license in Illinois and Indiana and a certification from the National Apartment Association as a Certified Apartment Property Supervisor.

Mr. Morse testified that during the 2001 and 2003 assessment years, he supervised the management of the subject property which included making frequent visits to the property, reviewing the financial statements, reviewing the rent rolls, and being involved in tax appeal matters.

Mr. Morse testified that he prepared the two documents entitled Study of Comparable Assessed Value of Apartment Communities Hanover Township, Cook County, Illinois, dated February 21, 2003 which was marked as Appellant's Exhibit #1 and the one dated June 30, 2003 which was marked Appellant's Exhibit #2. Mr. Morse stated that he gathered information about the subject property and comparable properties and compiled this information in the studies. Mr. Morse then summarized each section of Appellant's Exhibits #1 and #2.

As to the introduction section of the exhibits, Mr. Morse testified part of this section indicates the criteria used in establishing a comparable property. This criteria was: properties located within a two mile radius of the subject; those that had similar gross rent per square foot; heat was included in the rent for the comparables; and the properties were all located within Hanover township. In establishing the gross rent per square foot for each suggested comparable, Mr. Morse testified that he telephoned either the property manager or the landlord for the properties to gather information on the property. Mr. Morse testified he toured all the suggested comparables either by inspecting the interior of the units and/or walking around the exterior. Mr. Morse stated he reviewed third party data, such as a property database, to confirm the square footage of the suggested comparables.

Section 2 of appellant's exhibits contains a colored photograph, assessment data, and description of the subject property. Mr. Morse testified he took the photograph of the subject property in

2001 and it is an accurate depiction of the property for both the 2001 and 2003 assessment year. Mr. Morse testified that the only difference between the data in the exhibits is that the 2003 assessment was reduced by the assessor and this information is contained in Appellant's Exhibit #2. In addition, Mr. Morse stated there was a slight reduction to the 2003 assessment by the board of review that was not reflected in the exhibit.

Assessment data and descriptions of the suggested comparables as well as colored photographs are contained in section 3 of the exhibits. As to comparables #1, #2 and #3, Mr. Morse testified he took the photographs of the properties and gathered the description of the properties from a CoStar report. Mr. Morse testified he confirmed the descriptions by speaking with the property managers or owners. Mr. Morse stated all three comparables are located down the road from the subject, are in the same type of development, were built at the same time, most likely by the same developer, contain the same number of units, have the same amenities, and look identical to one another. Mr. Morse testified these properties have access to laundry facilities.

As to suggested comparable #4, Mr. Morse testified that this property is located just down the road from the subject. Mr. Morse wrote the description for this comparable after gathering information about the property during a tour of the property with a representative from the leasing office. Mr. Morse testified this property was remodeled in 1999 and amenities included a clubhouse, a pool and laundry facilities. Mr. Morse stated the subject property also access to a clubhouse, pool and laundry facilities.

Mr. Morse testified the only difference between the exhibits for the suggested comparables is the assessments for these properties. The assessed values for the 2003 assessment year decrease for all the suggested comparables from the 2001 assessment year.

Section four of appellant's exhibits is a map of the subject property and the suggested comparables. Mr. Morse testified the suggested comparables are all located within the Lake Street corridor between Route 59 and the Elgin O'Hare expressway. Mr. Morse indicated this area is within two miles of the subject property.

Mr. Morse testified that he prepared section five of the exhibits. This section is a summary of the rental information gathered for the subject property and the suggested comparables. The information includes the number of units, the style of the units, the rent, the square footage of the units and the rent per

square foot. Mr. Morse stated the subject property total rent for both the 2001 and 2003 assessment years was \$11.58 per square foot of rental area and the comparables range in rent from \$11.64 to \$11.88 per square foot of rental area. Mr. Morse testified this is a narrow margin which shows the properties are comparable.

In section six of the appellant's exhibits, Mr. Morse summarized the assessed values for the subject property and the suggested comparables. Mr. Morse stated this section lists the square footage of the land and improvements for the subject and the suggested comparables as well as their assessed values. Mr. Morse testified that the differences between exhibit #1 and exhibit #2 are the differences in the assessment amounts and the assessment amounts per square foot.

Mr. Morse testified he was familiar with the land size of the subject because he has been involved in its management and that he gathered the land size information for the suggested comparables from either the assessor's property characteristic printouts, CoStar Comps or a multiple listing service. Mr. Morse then testified he believed he gathered the land information from plat maps for the properties. Mr. Morse testified that the suggested comparables' land assessments for 2001 were all \$.99 per square foot while the subject's land assessment was \$1.32 per square foot. Mr. Morse then testified the subject's land assessment for 2003 was \$1.20 while the suggested comparables were all assessed at \$.90 per square foot.

As to the improvements, Mr. Morse testified that for the 2001 assessment year the subject property was assessed at \$9.59 per square foot of rental area while the comparables' improvement assessments ranged from \$4.04 to \$7.53 per square foot of rental area. In regards to the 2003 assessment year, Mr. Morse testified the subject's improvement was assessed at \$8.72 per square foot and the suggested comparables were assessed from \$3.67 to \$5.61 per square foot of rental area.

Section seven of appellant's exhibits lists the current assessment for the subject property for 2001 and 2003, respectively. Each exhibit then lists the land and improvement assessments that the appellant is requesting.

During cross examination, Mr. Morse testified in regards to gathering information of the suggested comparables that he did not recall the exact name of the people he spoke to or the exact date of when the telephone calls were made. Mr. Morse testified that he confirmed the information provided in the telephone conversations by looking at other sources and comparing the properties to each other. Mr. Morse then gave an example of how

suggested comparables #1, #2 and #3 are almost identical properties and the square footage and unit styles should be roughly the same. If any property manager or owner provided inaccurate information, this would be noticeable.

The board of review submitted "Board of Review-Notes on Appeal" wherein the subject's 2001 land assessment was \$16.104 or \$1.32 per square foot and the improvement assessment was \$418,599 or \$9.59 per square foot of rentable area and the 2003 land assessment was \$14,640 or \$1.20 per square foot and the improvement assessment was \$360,359 or \$8.26 per square foot of rentable area. The board also submitted raw sale information for a total of nine properties suggested as comparable to the subject. These comparables are all located within the subject's market and are improved with one to four buildings, two or three-story, masonry or frame, apartment buildings or complexes. These buildings range: in age from 17 to 40 years; in units from 24 to 120; and in improvement size from 14,700 to 99,000 square feet of gross or rentable area with three sizes estimates. The comparables sold from September 1999 to May 2002 for prices ranging from \$813,822 to \$4,900,000 or from \$49.49 to \$93.37 per square foot of gross or rentable area. At hearing, the board of review rested on the evidence.

In rebuttal, the appellant's attorney argued that the board of review's evidence does not address the appellant's appeal based on uniformity of the assessments. The appellant submitted the assessed values for the board of review's sales properties, with the exception of one property located in DuPage County, to establish that these properties are under assessed based on their sale prices.

After considering the evidence and reviewing the testimony, the Property Tax Appeal Board finds that it has jurisdiction over the parties and the subject matter of this appeal.

Appellants who object to an assessment on the basis of lack of uniformity bear the burden of proving the disparity of assessment valuations by clear and convincing evidence. Kankakee County Board of Review v. Property Tax Appeal Board, 131 Ill. 2d 1, 544 N.E.2d 762 (1989). The evidence must demonstrate a consistent pattern of assessment inequities within the assessment jurisdiction. Proof of assessment inequity should include assessment data and documentation establishing the physical, locational, and jurisdictional similarities of the suggested comparables to the subject property. *Property Tax Appeal Board Rule 1910.65(b)*. Mathematical equality in the assessment process is not required. A practical uniformity, rather than an absolute one is the test. Apex Motor Fuel Co. v. Barrett, 20 Ill. 2d 395, 169 N.E.2d 769 (1960). Having considered the evidence presented,

the PTAB concludes that the appellant has met this burden and that a reduction is warranted.

The appellant presented assessment data on a total of four equity comparables. The PTAB finds these comparables similar to the subject. The testimony shows the comparables are located within two miles of the subject property, have similar rental units and amenities, and all have heat included in the rent. The PTAB finds that this evidence along with the narrow rental price per square feet of rental area establish the comparability of the properties to the subject.

As to the land, the comparables range in size from 33,472 to 388,029 square feet and have land assessments of \$.99 per square foot for 2001 and \$.90 per square foot for 2003. In comparison, the subject property's land assessments for 2001 of \$1.32 per square foot and \$1.20 per square foot for 2003 fall above the assessments of the comparables. As to the improvements, the comparables range in size from 19,800 to 190,080 square feet of rental area and in improvement assessments from \$3.67 to \$7.53 per square foot of rental area for both the 2001 and 2003 assessment years. In comparison, the subject's improvement assessment of \$9.59 per square foot of rental area for 2001 and \$8.72 per square foot of rental area for 2003 falls above the range established by these comparables.

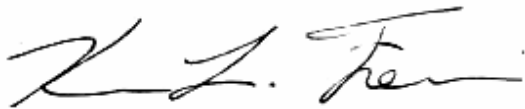
The PTAB accorded little weight to the board of review's evidence because they failed to submit evidence that addressed the appellant's equity appeal. The board's evidence of unadjusted sales information did not include any assessment information. The assessment information provided by the appellant in rebuttal shows that the properties submitted by the board of review were assessed at a value substantially less than the sale price. In addition, the board of review submitted a property located within DuPage County which does not assess property at the same level as Cook County.

As a result of this analysis, the PTAB further finds that the appellant has adequately demonstrated that the subject's improvement was inequitably assessed by clear and convincing evidence and that a reduction for both the 2001 and 2003 assessment years are warranted.

This is a final administrative decision of the Property Tax Appeal Board which is subject to review in the Circuit Court or Appellate Court under the provisions of the Administrative Review Law (735 ILCS 5/3-101 et seq.) and section 16-195 of the Property Tax Code.



Chairman



Member



Member



Member



Member

DISSENTING: _____

C E R T I F I C A T I O N

As Clerk of the Illinois Property Tax Appeal Board and the keeper of the Records thereof, I do hereby certify that the foregoing is a true, full and complete Final Administrative Decision of the Illinois Property Tax Appeal Board issued this date in the above entitled appeal, now of record in this said office.

Date: April 25, 2008



Clerk of the Property Tax Appeal Board

IMPORTANT NOTICE

Section 16-185 of the Property Tax Code provides in part:

Docket No. 01-25627.001-C-2 and 03-21092.001-C-2

"If the Property Tax Appeal Board renders a decision lowering the assessment of a particular parcel after the deadline for filing complaints with the Board of Review or after adjournment of the session of the Board of Review at which assessments for the subsequent year are being considered, the taxpayer may, within 30 days after the date of written notice of the Property Tax Appeal Board's decision, appeal the assessment for the subsequent year directly to the Property Tax Appeal Board."

In order to comply with the above provision, YOU MUST FILE A PETITION AND EVIDENCE WITH THE PROPERTY TAX APPEAL BOARD WITHIN 30 DAYS OF THE DATE OF THE ENCLOSED DECISION IN ORDER TO APPEAL THE ASSESSMENT OF THE PROPERTY FOR THE SUBSEQUENT YEAR.

Based upon the issuance of a lowered assessment by the Property Tax Appeal Board, the refund of paid property taxes is the responsibility of your County Treasurer. Please contact that office with any questions you may have regarding the refund of paid property taxes.